

## ABSTRACT OF THE DISCLOSURE

A method for performing an environmental audit to accompany commercial, residential, and other loan transactions is disclosed. The audit requires the evaluation of the environmental risk associated with a service or piece of real property according to four criteria. Although not all may apply to a given transaction, the criteria are: property, service operation, current compliance, and future compliance. The report may also include an explanation of any low scores, recommendations, other notes, and a section covering liabilities and limitation. The invention also includes a method to be used by a single environmental auditing firm for employing the disclosed environmental auditing method in all loan transactions generated by one or more financial institutions.